



Job Training Incentive Program Guide

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Background Information

In June 2015, the Minnesota legislature created this program to address an area of employment need for new or expanding businesses. The program will enable the Minnesota Department of Employment and Economic Development (DEED) to respond to immediate training requests that are related to economic development efforts being coordinated by DEED.

The Job Training Incentive Program provides grants of up to \$200,000 to new or expanding businesses for the purpose of training of new workers as quickly and efficiently as possible. The program is available to new or expanding businesses located in Greater Minnesota that are adding at least three new jobs at the project location.

Program Guidelines

Business Eligibility

- The business is located in Greater Minnesota (see definitions on page 8).
- Must be a new or expanding business that commits to hiring permanent employees in new jobs that provide at least 32 hours of work per week for a minimum of nine months per year.
- The new jobs must pay annual wages at least equal to 120% of federal poverty guidelines for a family of four, plus benefits, by the end of the training period. For 2023, this is \$36,000 per year, which is equivalent to \$17.31 per hour based on a 2,080-hour work year.
- The business will add at least three new jobs at the project location.

Ineligible Businesses

- Businesses primarily engaged as a public utility or in retail sales at the project location, health care services, lobbying, gambling, professional sports, political consulting, leisure, hospitality or professional services provided by attorneys, accountants, business consultants, physicians, or healthcare consultants are not eligible.

Program Requirements

- The business must be able to demonstrate that its training needs cannot be met through a Minnesota Job Skills Partnership grant.
- The training is in an eligible topic area outlined below.
- The business must match state funds with cash or in-kind contributions on a .5:1 basis.

- To be considered a new job, the job must be added on or after the date of application.
- Must intend for training to begin within six months of the award date. At DEED's discretion, one three-month extension may be granted.
- Grants awarded in fiscal year 2023 (July 1, 2022 – June 30, 2023) must be completed by June 30, 2024. Grants awarded in fiscal year 2024 (July 1, 2023 – June 30, 2024) must be completed by June 30, 2025.
- The application must identify the training to be provided for each job category, projected costs, expected outcomes and a timeline for the training.
- The business must pay a \$500 application fee payable upon approval of the application.

Other Considerations

- The business is encouraged to utilize MinnesotaWorks.net and the services provided by DEED's Workforce Strategy Consultants in recruiting and screening new hires with an effort to connect the long-term unemployed and disadvantaged job seekers to new employment opportunities.
- Preference will be given to projects that provide training for long-term unemployed and/or economically disadvantaged people, people of color, or people with disabilities, and to employers located in economically distressed areas.
- When appropriate, the business is encouraged to use accredited, Minnesota training providers.
- Businesses involved in manufacturing, skilled production and information technology will receive additional consideration.

Eligible Training

All eligible training must meet the special requirements of the employer. The location of the training, schedule, curriculum, and instruction techniques may all be negotiated between the business and the training provider.

Training in the following topic areas is eligible:

- Basic skill training (i.e., hand tools, blueprint reading, basic math, etc.)
- Advanced technical skill training
- Training on industry specific equipment
- Process/Quality related training
- Safety training
- Work-related language training
- Soft-skill training (i.e., Communication, Leadership, Teamwork) (limited to 25% of total award)
- Train-the-trainer
- Other business specific training identified by the employer that is deemed appropriate by DEED.

Ineligible Training

- Company orientation type training
- Basic computer skills (i.e., MS Word, Excel, etc.)
- Pre-employment training

Maximum Award Amount

Grants of up to \$200,000 are available to eligible projects. The award amount, up to a maximum of \$200,000, will be contingent on the projected costs and wage rates for the new jobs. New jobs paying the following percentages of the required annual wage (120% of federal poverty guidelines for a family of four) will be eligible for the following maximum award amounts for each new job.

<u>Percentage</u>	<u>Maximum Per New Job</u>
100% to 109%	\$5,000
110% to 119%	\$6,500
120% to 129%	\$8,000
130% and above	\$9,000

The maximum award amount per new job will be increased by \$1,000 for any employee with a disability.

Use of Funds

- Funds may be used for direct training costs including curriculum development, training delivery, training materials and supplies, trainee wages, training equipment owned by the business and used exclusively for training during the project period, training facilities, and trainer travel and lodging costs.
- Funds may be used for administrative services, assessment, testing and certification costs.
- Funds may be used for eligible training topics that are provided by institutions of higher education; in-house; by federal, state or local agencies; by consultants; and/or by equipment vendors.
- Grant funds may not be used to purchase equipment to be owned or used by the training/educational institution.
- Grant funds may only be used towards new jobs, but any curriculum developed with grant funds may also be used for skills enhancement of existing employees at the employer's cost.
- Grant funds may only be used for training costs that are incurred within the contract start and end dates.

Eligible Business Matching Contributions

- Business contributions towards any of the eligible training costs outlined under Use of Funds may be counted towards the required match.
- Employee wages for on-the-job training or wages paid during training.
- The \$500 application fee.

Application Guidelines

Application Timelines

Applications may be submitted any time and will be considered on a first-come, first-serve basis contingent on DEED's receipt of a complete application including all required information.

Application and Award Process

- Applications will be evaluated by DEED and DEED will notify the applicant of approval or denial.
- Before entering into an agreement, DEED will investigate the applicability of other training programs and determine whether the Minnesota Job Skills Partnership program is a more suitable source of funding for the training. This investigation will be completed within 15 days or as soon as reasonably possible after DEED's receipt of a complete application.
- Eligible applications with a minimum score requirement of 30 points will be awarded on a first-come, first-serve basis.
- If adequate funding is not available and multiple requests are received at the same time, funding will be prioritized in the order of the highest to lowest scoring applications.
- Applications may be denied, awarded at a reduced amount or awarded at the requested amount.
- If a grant is approved, DEED will notify the applicant to submit the \$500 application fee and will draft a grant contract to be completed upon receipt of the application fee.
- In order to complete the contract, the applicant must be registered with the State of Minnesota as a vendor. Information on [registering as a vendor](https://www.mn.gov/mmb/accounting/swift/vendor-resources/) can be found on the Minnesota Management and Budget website (<https://www.mn.gov/mmb/accounting/swift/vendor-resources/>).
- Under the terms of the contract, the business will be reimbursed for eligible training costs at the end of the training provided the jobs are in place at the required wage and the business has submitted all required reports and documentation.

Review Criteria

Upon DEED's determination that initial eligibility requirements have been met, applications will be scored based on the following criteria. To receive an award, a minimum score of 30 must be achieved.

- Number of jobs to be created (3-15 points)
- Business size (0-10 points)
- Wage rates of new jobs (5-20 points)
- Voluntary benefits provided at a value of \$2 per hour or more (5 points)
- Business engaged in manufacturing, skilled production or information technology (5 points)
- Recruitment strategy for hiring individuals with a disability, people of color, long-term unemployed and/or other disadvantaged job seekers (0-10 points)
- Utilization of MinnesotaWorks.net (5 points)
- Business contributions in excess of match requirement (0-10 points)
- Return on state investment (0-10 points)
- Utilization of an accredited Minnesota educational institution (5 points)
- Workers with the skills being provided are in demand (5 points)
- Business is located in a state or federal designated geography meeting economic distress criteria (New Market Tax Credits, Opportunity Zones, etc.) (5 points)

Application Instructions

It is strongly recommended that you consult with program staff before completing the grant application to help determine whether the Minnesota Job Skills Partnership program may be a more suitable source of funding and for information regarding the availability of funding. Program staff can be reached at 651-259-7514. The application form and a tool to determine the award amount in which you may be eligible for can be found under the Forms tab on our [website](http://mn.gov/deed/business/financing-business/training-grant/jtip/) (<http://mn.gov/deed/business/financing-business/training-grant/jtip/>). Steps for completing an application are provided below.

Step 1 – Complete the Eligibility Checklist

Step 2 – If all conditions on the Eligibility Checklist have been met, fully complete the grant application using the forms provided.

Step 3 – Submit the completed application via email to DEED at deed.mjsp@state.mn.us or

Vikki Palony – Southern MN: vikki.palony@state.mn.us

Danielle Kressin – Northern MN: danielle.kressin@state.mn.us

Reporting Requirements

For projects that are funded, the business must provide reports to DEED on a semi-annual basis. The progress report will include a narrative overview of progress made in the hiring and training of new employees; information regarding the number of new jobs created, wage rates, number trained and trainee demographics; and a financial report with a breakdown of project costs to-date. A document must also be signed by each new employee receiving training and in-house trainers confirming that training was provided. In addition, a final report will be due at the conclusion of the project that includes a description of the training outcomes, the effectiveness of the program in encouraging employment and any specific suggestions for improvements that can be made to enhance the program. A payroll report will also be required at the conclusion of the project which should include all new permanent full-time jobs, hire dates, wages paid, voluntary benefits and any other information requested.

Definitions

Disability – an individual with a physical or mental impairment that substantially limits one or more major life activities of such individual; a record of such an impairment; or being regarded as having such an impairment. Impairments that are transitory and minor do not apply. A transitory impairment is an impairment with an actual or expected duration of 6 months or less. “Disability” has the meaning give under United States Code, title 42, chapter 126.

Expanding business – an existing Minnesota business that is adding at least three new jobs at the project location and businesses with existing operations outside Minnesota that are expanding to Minnesota.

Greater Minnesota – areas outside of the seven-county metropolitan area. As per [Minnesota Statutes section 473.121](#), subdivision 2, the metropolitan area includes the following counties: Anoka, Carver, Dakota (excluding the city of Northfield and Cannon Falls), Hennepin (excluding the cities of Hanover and Rockford), Ramsey, Scott (excluding the city of New Prague), and Washington. The cities of Northfield, Cannon Falls, Hanover, Rockford and New Prague are considered Greater Minnesota.

Long-term unemployed – those out of work for 27 weeks (6 months) or longer.

New business – a business with no parent company or current operations.

New job – a job provided by a new or expanding business that provides at least 32 hours of work per week for a minimum of nine months per year and is permanent with no planned termination data and for which an employee hired was not formerly employed by the employer

in the state or a replacement worker, including a worker newly hired as a result of a labor dispute.

On-the-Job training – teaching the skills, knowledge and competencies that are needed to perform a specific job within the workplace and work environment. It may occur as the employee performs actual work while being directly overseen by a trainer or it may occur elsewhere within the workplace using training rooms, training work stations, or training equipment. On-the-job training is provided by another employee who can competently perform the job that he or she is teaching or by an external provider.

Skilled production – production jobs that require the worker to have knowledge about a specific skill or trade.

Soft-skill – a skill that lets you be effective in your job, but isn't directly related to your profession.

Resources/Contact Information

Minnesota Job Skills Partnership (MJSP) – MJSP provides grants to educational institutions that are partnering with a business or businesses to provide training that is specific to the business needs. [Information on the MJSP programs](https://mn.gov/deed/business/financing-business/training-grant/) can be found on DEED's website (<https://mn.gov/deed/business/financing-business/training-grant/>). Program staff can help you determine whether the JTIP program or one of the other MJSP programs best suits your business needs. Staff will also advise you regarding the availability of JTIP funding. Staff can be reached at 651-259-7514.

DEED Regional Business Development Managers – Business Development Managers are located in the Twin Cities, metro area and key regions throughout the state. They work closely with companies of all types to help them locate and expand in communities throughout Minnesota. [Business Development Managers contact information](https://joinusmn.com/about/index.jsp) can be found on DEED's website (<https://joinusmn.com/about/index.jsp>).

DEED Workforce Strategy Consultants – Workforce Strategy Consultants can help you with industry sector strategies, implementing your regional plans and get you in touch with workforce development resources. [Workforce Strategy Consultants contact information](https://mn.gov/deed/business/help/workforce-assistance/wf-strategy.jsp) can be found on DEED's website (<https://mn.gov/deed/business/help/workforce-assistance/wf-strategy.jsp>).

DEED Vocational Rehabilitation Services – The Vocational Rehabilitation Services unit helps people with disabilities prepare for, find and keep a job, and live as independently as possible. Employment Specialists can help your business tap the talent pool of people who have disabilities and may be able to provide support services to help workers with disabilities to keep

their job and advance in their careers. Additional information, including [Employment Specialists contact information](#) can be found on DEED's website (<https://mn.gov/deed/business/finding-workers/hiring-disabilities/>). VRS staff can also be reached at 651-259-7366 or 1-800-328-9095.

Minnesota CareerForce Centers – Minnesota CareerForce Centers provide an array of employment-related services to employers and job seekers via 47 locations throughout Minnesota and online at DEED's website. Employers who need hiring assistance can contact any of our CareerForce Centers. More information can be found on the [CareerForce website](#) (<http://www.careerforcemn.com>).

Minnesota State Workforce Solutions – Companies of all sizes in every region of the state depend on the Minnesota State system to prepare and maintain a qualified work force, increase employee productivity and support new business growth. Minnesota State Workforce Solutions harnesses the power of 37 colleges and universities across 54 campuses to deliver training and consultative solutions for over 2,700 businesses and over 130,000 individuals each year. To learn more, call 218-969-0045 or visit the [Minnesota State website](#). (<https://www.minnstate.edu/system/asa/workforce/>)

MinnesotaWorks.net – MinnesotaWorks.net is the state's no-fee online job data base that brings employers and job seekers together. Employers can post job openings using keywords that specify job description, title, required skills and experience and then review resumes that match their requirements. For more information go to [DEED's website](#) (<https://mn.gov/deed/job-seekers/find-a-job/job-listings/search-mnw.jsp>) or the [MinnesotaWorks.net website](#) (<https://www.minnesotaworks.net/>).